

Successfully balancing
growth and quality for 13 years.

reportjunction.com



We understand your world

www.reportjunction.com

Awards won by HDFC Bank in 2007

Best Bank Award

Business Today (5th year in a row)

•

One of the most innovative companies

Business Today Survey

•

Corporate Best Bank Award

Dun & Bradstreet –
American Express Corporate Awards

•

Organization with innovative HR Practices

Asia Pacific HRM Congress

•

Best CSR Practice Award

BSE and Nasscom
Foundation's Business for Social
Responsibility Awards

•

Best Private Bank for Super Affluent, India

Euromoney Poll, 2008

•

Best Retail Bank in India

The Asian Banker Awards

Best Bank Award in the Private Sector*

The Financial Express - Ernst & Young

•

Best Bank Award in the Private Sector category

Outlook Money & NDTV Profit

*This award has been shared with another private bank.

Notice

NOTICE is hereby given that the Fourteenth Annual General Meeting of the members of HDFC Bank Limited ("the Bank") will be held on Tuesday, 10th June 2008 at 3:00 p.m. at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31st March 2008 and Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors.
2. To declare dividend.
3. To re-appoint Mr. Keki Mistry as a Director who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Mrs. Renu Karnad as a Director who retires by rotation and being eligible offers herself for re-appointment.
5. To re-appoint Mr. Vineet Jain as a Director who retires by rotation and being eligible offers himself for re-appointment.
6. To re-appoint auditors and in this connection, to pass with or without modifications the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Haribhakti & Co., Chartered Accountants, subject to the approval of the Reserve Bank of India, be and are hereby re-appointed as Auditors of the Bank to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting, on a remuneration to be fixed by the Audit and Compliance Committee of the Board in the best interest of the Bank, for the purpose of audit of the Bank's accounts at its Head Office and all its Branch Offices."

SPECIAL BUSINESS

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in supersession of the resolution passed by the Bank under section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the members held on 26th May 2004, the Board of

Directors of the Bank be and are hereby authorized to borrow, for the purpose of business of the Bank, such sum or sums of moneys as they may deem necessary, notwithstanding the fact that the moneys borrowed and the moneys to be borrowed from time to time (apart from acceptances of deposits of money from public repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise and/or temporary loans obtained in the ordinary course of business from banks, whether in India or outside India) will exceed the aggregate of the paid up capital of the Bank and its free reserves i.e. to say reserves not set apart for any specific purpose, provided that the total outstanding amount of such borrowings shall not exceed Rs. 20,000 crores (Rupees Twenty Thousand Crores) over and above the aggregate of the paid up capital of the Bank and its free reserves at any time."

By order of the Board

Sanjay Dongre
Executive Vice President (Legal) &
Company Secretary

24th April, 2008

Regd. Office:
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE BANK. The Proxy forms should be lodged with the Bank at its registered office at least 48 hours before the time of the meeting.
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business is annexed herewith.
3. All documents referred to in the Notice are open for inspection at the registered office of the Bank on all working days between 10.00 a.m. to 12.00 noon upto the date of the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Bank shall remain closed from 7th June 2008 to 10th June 2008 (both days inclusive) for the purpose of Annual General Meeting.
5. The Dividend, as recommended by the Board of Directors, if

approved at the 14th Annual General Meeting, will be paid on 11th June 2008 or thereafter:

- a) To those Members who hold shares in physical form and whose name appear on the Bank Register of Members as holders of Equity Shares as on 30th April 2008.
 - b) In respect of shares held in electronic mode, the dividend will be paid on the basis of the beneficial ownership as per details to be received from the Depositories, as at the end of business hours on 30th April 2008 as per the details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
6. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividend for the years from 1996-97 to 1999-00 remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government.

Shareholders may kindly note that the Bank is statutorily required to transfer to IEPF all unclaimed/unpaid dividend remaining unpaid/unclaimed for a period of seven years from the date they became due for payment and once such amounts are transferred to IEPF, no claim of the shareholder shall lie against the Bank or the IEPF. For the information of the shareholders it is hereby notified that the dividend paid on 2nd June 2001 in respect of the financial year 2000-01 will be due for transfer to IEPF during the financial year 2008-09. Shareholders who have not yet encashed their dividend warrants are requested to do so immediately.

7. A brief profile of the Directors retiring by rotation and eligible for re-appointment is furnished in the Report on the Corporate Governance.
8. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy to the Meeting.

Annexure to Notice

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (the Act), sets out all material facts relating to the special businesses as mentioned in the accompanying Notice.

Item No. 7

Section 293(1)(d) of the Companies Act, 1956, restricts the borrowing powers of the Board of Directors. It provides that the Directors shall not, except with the consent of the company in General Meeting borrow monies, when the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of company and its free reserves i.e. reserves not set apart for any specific purpose.

Further, as per sub-section 4 of the said Section, the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of Clause (d) of Sub-section (1) of Section 293.

In pursuance of the aforesaid provisions of Section 293(1)(d) of the Companies Act, 1956, the Bank had by a resolution passed at the Annual General Meeting held on 26th May, 2004 empowered the Board of Directors to borrow any sum or sums of money not exceeding Rs. 5,000 crores (Rupees Five Thousand Crores).

In view of the increase in the Bank's business, it is necessary that a higher ceiling for borrowing be laid down by the members to enable the Board of Directors to augment the funds as and when required for the purpose of business. It is therefore proposed to increase the borrowing powers of the Board of Directors to a sum not exceeding Rs.20,000 crores (Rupees Twenty Thousand Crores) over and above the aggregate of the paid up capital of the Bank and its free reserves at any time. This is apart from temporary loans obtained from the banks, whether in India or abroad, in the ordinary course of business and/or acceptances of deposits of money from public repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise.

The Directors recommend the resolution at Item No. 7 of the accompanying notice for approval of the members of the Bank.

None of the directors is concerned or interested in the said resolution.

By Order of the Board

Sanjay Dongre
 Executive Vice President (Legal) &
 Company Secretary

April 24, 2008

Regd. Office:

HDFC Bank House,
 Senapati Bapat Marg,
 Lower Parel (West),
 Mumbai 400 013.

**HDFC BANK LIMITED****ENTRANCE PASS**

(To be presented at the entrance)

ATTENDANCE SLIP : 14TH ANNUAL GENERAL MEETING ON TUESDAY 10TH JUNE, 2008 AT 03.00 P.M.
 at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

Folio No HB , DP ID No , Client A/c. No

Name of the Shareholder :

Signature of the Shareholder :

(only shareholders/proxies are allowed to attend the meeting)

HDFC BANK LIMITED**PROXY FORM**

I / We of being a member(s) of HDFC Bank Limited hereby appoint
 of in the district of failing whom
 of in the district of as my / our proxy to attend and vote
 for me / us and on my / our behalf at the Fourteenth Annual General Meeting of HDFC Bank Limited to be held on Tuesday, 10th June, 2008 and
 at any adjournment thereof.

Folio No. HB DPID No. Client A/c. No.

No. of shares held



Signed this day of May / June, 2008.

Signature across Revenue Stamp

BANK ACCOUNT PARTICULARS / ECS MANDATE FORM

I / We do hereby authorise
 HDFC Bank Limited.

* To Print the following details on my / our dividend warrant

* To Credit my dividend amount directly to my Bank account by ECS/Direct Credit in HDFC Bank A/c (if any).

(* Strike out whichever is not applicable.)

My / our Folio No. : HB.....

Particulars of Bank Account :

DP ID No.....Client A/c. No.....

- A. Bank Name :
- B. Branch Name :
 Address (for Mandate only) :
- C. 9 Digit Code number of the bank & branch
 as appearing on the MICR cheque :
- D. Account Type (Saving / Current) :
- E. Account No. as appearing on the cheque book :
- F. STD Code & Telephone No. :

I/We shall not hold the Bank responsible if the ECS could not be implemented or the Bank discontinue(s) the ECS, for any reason.

MAIL TO

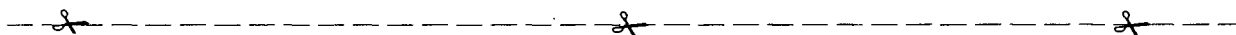
**Datamatics Financial Services Ltd, Unit: HDFC Bank, Plot No. A. 16 &
 17, Part B Crosslane, MIDC, Marol, Andheri (East), Mumbai 400093 or
 to your Depository Participant if you hold shares in electronic form.**

Signature of the Shareholder

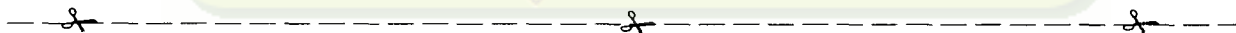
Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for
 verifying the accuracy of the 9 digit code number.

**In case you are holding shares in demat form, kindly advise your Depository Participant to take note of your Bank
 account particulars/ECS mandate.**

(Entrance Pass overleaf)



(Proxy Form overleaf)



(Bank Account Particulars / ECS Mandate Form overleaf)

Quality Driven Growth

"Quality is never an accident; it is always the result of high intention, sincere effort, intelligent direction and skillful execution; it represents the wise choice of many alternatives." - William A. Foster.

This is exactly what we at HDFC Bank believe in. A nation poised for growth offers immense opportunity and this augurs well for the Indian banking and financial sector. But growth without quality is of no value to an organization or its stakeholders. Indeed, rapid growth with no heed to quality amplifies risk exponentially.

Quality never comes easy. It is the direct result of a lot of time, talent and hard work. Yes, at HDFC Bank, we are very focused on volumes. Yet, even though we are ambitious when it comes to market share, we don't compromise on quality.

We understand good banking is all about harnessing user-friendly technology to provide value-added products and services to our customers.

That is precisely why our primary focus this year has been to try and reach out to each and every customer segment. Whether it is high net worth or rural customers in the retail segment or large and small corporate customers in the wholesale segment. The spectrum ranges from the rural segment in India to affluent NRIs spread across the globe.

Our emphasis has always been on growth with an unwavering focus on quality. This has helped us build sound and balanced customer franchises across distinct businesses so as to be the preferred provider of banking services for target retail and wholesale customer segments.

Of course, the growth story of the Indian economy would be incomplete unless it impacted a much broader section of the population. HDFC Bank is a firm advocate of inclusive growth and our microfinance and CSR initiatives have touched the lives of the underprivileged strata in our society.



Financial Highlights

	1998 - 1999	1999 - 2000	2000 - 2001
Interest Income	376,08	679,87	1,255,04
Interest Expense	229,18	374,28	753,75
Net Interest Income	146,90	305,59	501,29
Other Income	67,13	119,54	176,57
Net Revenues	214,03	425,13	677,86
Operating costs	88,79	171,39	309,59
Operating Result	125,24	253,74	368,27
Provisions and Contingencies	8,39	58,89	53,21
Loan Loss Provisions	7,58	53,60	52,96
Others	81	5,29	25
Profit before tax	116,85	194,85	315,06
Provision for taxation	34,45	74,81	104,94
Profit after tax	82,40	120,04	210,12
Funds :			
Deposits	2,915,11	8,427,72	11,658,11
Subordinated debt	135,00	150,00	200,00
Stockholders' Equity	338,93	751,52	913,09
Working Funds	4,349,96	11,731,03	15,617,33
Loans	1,400,56	3,462,34	4,636,66
Investments	1,903,80	5,748,28	7,145,14
Key Ratios :			
Earnings per share (Rs)	4.12	5.93	8.64
Return on Average Networth	26.41%	29.00%	24.53%
Tier 1 Capital Ratio	8.34%	9.56%	8.69%
Total Capital Ratio	11.86%	12.19%	11.09%
Dividend per share (Rs)	1.30	1.60	2.00
Dividend payout ratio	34.71%	29.96%	25.55%
Book value per share as at March 31 (Rs)	16.90	30.90	37.50
Market price per share as at March 31 (Rs)*	69.15	257.20	228.35
Price to Earnings Ratio	16.78	43.37	26.43

Rs. 10 Lac = Rs. 1 Million

Rs. 1 Crore = Rs. 10 Million

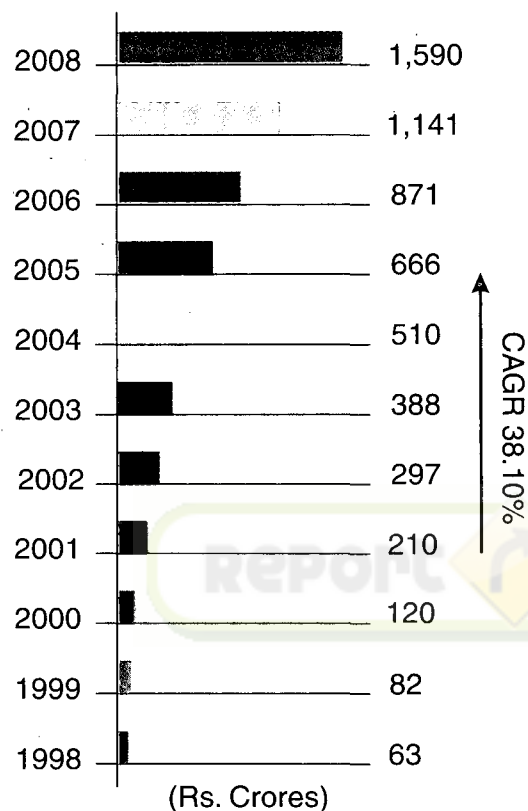
**Proposed

*Source : NSE

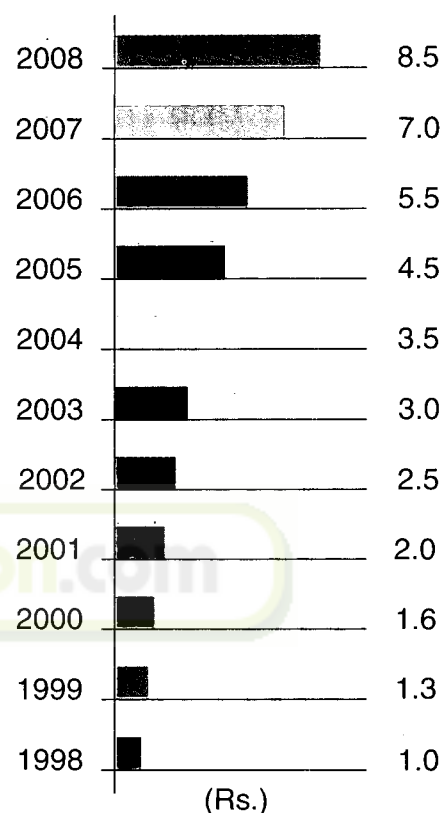
Rs. Lacs

2001 - 2002	2002 - 2003	2003 - 2004	2004 - 2005	2005 - 2006	2006 - 2007	2007 - 2008
1,681,18	1,963,17	2,455,71	2,905,43	4,230,18	6,647,93	10,115,00
1,073,74	1,191,96	1,211,05	1,315,56	1,929,50	3,179,45	4,887,12
607,44	771,21	1,244,66	1,589,87	2,300,68	3,468,48	5,227,88
335,90	465,55	480,03	651,34	1,123,98	1,516,23	2,283,15
943,34	1,236,76	1,724,69	2,241,21	3,424,66	4,984,71	7,511,03
417,95	577,05	810,00	1,085,40	1,691,09	2,420,80	3,745,62
525,39	659,71	914,69	1,155,81	1,733,57	2,563,91	3,765,41
100,01	88,86	195,73	176,87	480,06	925,16	1,484,78
85,77	88,39	178,28	176,22	479,76	861,01	1,216,03
14,24	47	17,45	65	30	64,15	268,75
425,38	570,85	718,96	978,94	1,253,51	1,638,75	2,280,63
128,34	183,25	209,46	313,38	382,73	497,30	690,45
297,04	387,60	509,50	665,56	870,78	1,141,45	1,590,18
17,653,81	22,376,07	30,408,86	36,354,25	55,796,82	68,297,94	100,768,60
200,00	200,00	600,00	500,00	1,702,00	3,282,60	3,249,10
1,942,28	2,244,83	2,691,88	4,519,85	5,299,53	6,433,15	11,497,23
23,787,38	30,424,08	42,306,99	51,429,00	73,506,39	91,235,61	133,176,60
6,813,72	11,754,86	17,744,51	25,566,30	35,061,26	46,944,78	63,426,90
12,004,02	13,388,08	19,256,79	19,349,81	28,393,96	30,564,80	49,393,54
11.01	13.75	17.95	22.92	27.92	36.29	46.22
18.30%	18.10%	20.14%	20.44%	17.47%	19.40%	16.05%
10.81%	9.49%	8.03%	9.60%	8.55%	8.58%	10.30%
13.93%	11.12%	11.66%	12.16%	11.41%	13.08%	13.60%
2.50	3.00	3.50	4.50	5.50	7.00	8.50**
23.68%	24.72%	22.15%	24.00%	22.55%	22.92%	22.17%
69.00	79.60	94.52	145.86	169.24	201.42	324.39
236.60	234.55	378.75	573.64	774.25	954.15	1,331.25
21.50	17.06	21.10	25.03	27.74	26.29	28.80

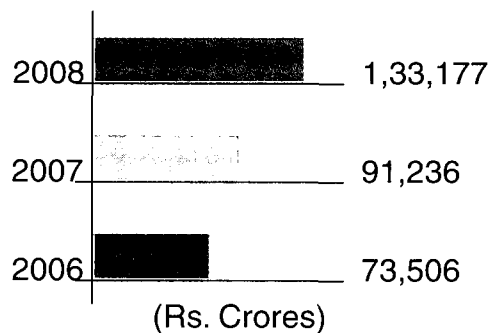
PROFIT AFTER TAX



DIVIDEND PER SHARE



BALANCE SHEET SIZE



ADVANCES

